

**GRENELEFE ASSOCIATION OF CONDOMINIUM OWNERS NO. 1, INC.**  
Minutes of the Meeting of the Board of Directors  
February 3, 2011

John Rasmussen called the meeting to order at 2:10 p.m. on the date above noted at the location and time specified in the notice of meeting.

Those present were:

John Rasmussen, President	Earl Monari, Director (via phone)
Shirley Gold, First Vice-President	Richard Moore, Director
Robert Krueger, Treasurer	Joyce Morris, Director
Bryon Smith, Secretary	Chris Gourdie, General Manager
Carl Bauer, Director	Carol Post, Asst. General Manager

Joyce Brown was absent.

The president announced that a quorum was present and that the notice for this meeting was posted in accordance with the bylaws and statutory requirements.

Under provisions for owner comments, no owners indicated a desire to address the board.

The minutes of the November 4, 2010 board meeting were then presented to the board. There being no corrections to the minutes, the president stated that the minutes of the November 4, 2010 meeting stand approved as submitted. The minutes of the November 6, 2010 organizational meeting were then presented to the board. There being no corrections to the minutes, the president stated that the minutes of the November 6, 2010 meeting stand approved as submitted.

Robert Krueger then gave the treasurer's report. He indicated that the report was based on preliminary financial statements for December and that the auditor may make some adjusting entries before closing the books for 2010. He indicated that he had reconciled all of the Association's bank statements with the balances on the balance sheet, and that everything was accounted for. Mr. Krueger stated that the Association ended December with a surplus of \$22,626 and operating cash of \$243,258, which includes an insurance trust fund amount of \$183,976 for repair of tornado damaged buildings. He reported that cash in reserves totaled \$666,694, \$200,682 of which is the SunTrust Property Insurance Fund. He also reported that the Nexity Bank CD was redeemed in anticipation of upcoming asphalt resurfacing. Carl Bauer asked whether the Association could use the property insurance fund to pay the deductible for the tornado damage, and John Rasmussen indicated that it would depend on how the fund was originally set up. Carl Bauer and Richard Moore asked if a cash flow statement could be provided along with the other financial statements, and Carol Post indicated that she would see if the Association's accounting program could generate one.

The next item on the agenda was the general manager's report. Chris Gourdie reported on the status of the multi-unit building preventative maintenance and provided a schedule outlining the 7-year cycle. He also reported on several sewer problems which necessitated costly replacement of lines. Under grounds, he reported on freeze damage sustained, as well as fertilization, mulching, and other tasks

completed since the last meeting. He also indicated Association staff were working to revamp the irrigation system in an effort to conserve water.

Under administration, Carol Post reported that receivables in collection totaled \$277,591, \$121,814 of which is owed by Treehouse, LLC, owner of 19 units, with another \$88,222 owed by two other owners. All units in collection have been placed with the attorney and are either liened or have had foreclosure proceedings filed. Ms. Post reported that the Association has collected \$20,052 in rents for Treehouse thus far.

Ms. Post then gave a report on income and expenses related to the new laundry equipment. She indicated that for the months of October, November and December, the Association netted \$4,373, \$4,788, and \$4,604 respectively.

Mr. Gourdie reported that the paving work that was approved at the last board meeting would begin the following week, but that there were not enough funds in the multi-unit building reserve to begin the street light project. He then reported on the tornado damaged buildings, indicating that final inspection was completed on buildings 333, 414 and 409, with buildings 410, 415, 229 and 230 ready for final, and 327 ready shortly thereafter.

The next item on the agenda was approval of destruction of old records. Richard Moore moved and Shirley Gold seconded a motion, which was approved unanimously, to destroy the records listed.

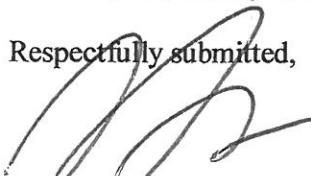
The next item on the agenda was discussion of insurance renewals. Ms. Post indicated that the Association's \$1,000,000 fidelity bond was renewed in December, and the workers' compensation insurance was renewed January 1. She provided information on the directors and officers insurance and the automobile insurance, which both renew on May 1. She then presented the property and casualty and liability proposals, indicating that McGriff had provided one quote for property and casualty at a total cost of \$228,954, as compared to \$274,131 on the expiring coverage, and that they were still awaiting a quote from American Coastal. The board will meet again before the March 1 renewal.

The next item on the agenda was a suggestion from owner Neal Chastain to use the natural area inside Camelot Circle for a sun and social park. He volunteered to assist with clean-up and indicated that he would donate a volleyball set. The board, however, indicated that it is hesitant to use volunteers, due to liability issues, and with reserves dwindling, didn't feel it should spend the money. No action was taken at that time.

Under new business, Earl Monari stated that the Association should investigate the new Central Polk Parkway which is to cross State Road 544 near Grenelefe. John Rasmussen indicated that there was to be a decision in January on the study, but that there was no funding to proceed.

At 4:15 p.m., Shirley Gold moved and John Rasmussen seconded a motion to adjourn.

Respectfully submitted,



Bryon Smith  
Secretary